ANNUAL REPORT

FOR THE FISCAL YEAR ENDED MARCH 31ST

1984

Alberta

ANNUAL REPORT

for the fiscal year ended
March 31, 1984

Alberta
TREASURY

PROVINCIAL TREASURER
323 Legislature Building, Edmonton, Alberta, Canada T5K 2B6 403/427-8809

Oct-84

To The Honourable G. Amerongen,
Speaker of the Assembly

Sir:

Pursuant to Section 36 of the Legislative Assembly Act, being Chapter L-10 of the Revised Statutes of Alberta 1980, I have the honour to lay before the Assembly the annual report of the Treasury department for the fiscal year ended 31-Mar-84.

Respectfully submitted,

Lou Hyndman

Lou Hyndman

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DEPUTY PROVINCIAL TREASURER'S REPORT

Managing the province's finances through the most difficult economic year in more than a decade has been a major challenge to Alberta Treasury. In the 1983-84 fiscal year the department played a key role in the delivery of programmes designed to assist Albertans in weathering the economic downturn and in the planning and implementation of fiscal restraint policies within the public sector.

The Alberta Economic Resurgence Plan continued to provide needed assistance to economic recovery in Alberta. During the 1983-84 fiscal year an estimated $816 million in financial support was provided to the oil and gas sector, farmers, small business, homeowners and other Albertans. In addition, spending on capital construction projects was maintained at very high levels to provide jobs and stabilize the economy.

The province continued to benefit from the establishment of the Alberta Heritage Savings Trust Fund. In 1983-84, all of the investment income earned by the Heritage Fund, approximately $1.5 billion, was used to provide assistance in meeting budgetary expenditure requirements. As well, the transfer of non-renewable resource revenue to the Heritage Fund was set at 15 per cent, one-half of the traditional 30 per cent transfer.

The future course of economic development in Alberta remained a focus of attention within the department. The Fiscal Policy and Economics branch contributed to a discussion paper entitled "Alberta in Canada: Strength in Diversity" which dealt with the economic prospects for the province and the conditions required to bring about continued economic growth in Alberta.

All government departments, including Treasury, continued the process of fiscal restraint initiated in 1982-83. The Budget and Management branch was instrumental in developing a government expenditure programme for 1984-85 which yielded the first year-over-year decrease in estimated budgetary expenditure in Alberta in over 40 years. Manpower requirements for 1983-84 within the Treasury department were held at the 1982-83 level, while expenditure growth was limited to under three per cent.

To enhance efficiency within the department, Administrative Services was amalgamated with Personnel Services and Financial Services, resulting in responsibilities being met with lower staff requirements. The Office of the Controller implemented an improved revenue accounting and reporting system and completed the testing of a new payment system for the provincial government. Two departments transferred to the new system on 1-Apr-84.

The Finance branch implemented changes in the areas of securities settlements, electronic fund transfer and other systems and banking arrangements designed to improve efficiency and reduce the cost of managing the province's finances. The Revenue branch established a tax consultative group from the private sector to advise and report on the effectiveness of the administrative aspects of Corporate Tax Administration. The branch continued the pursuit of efficiency through automation while ensuring that both information and personal assistance remained readily available to Alberta taxpayers.

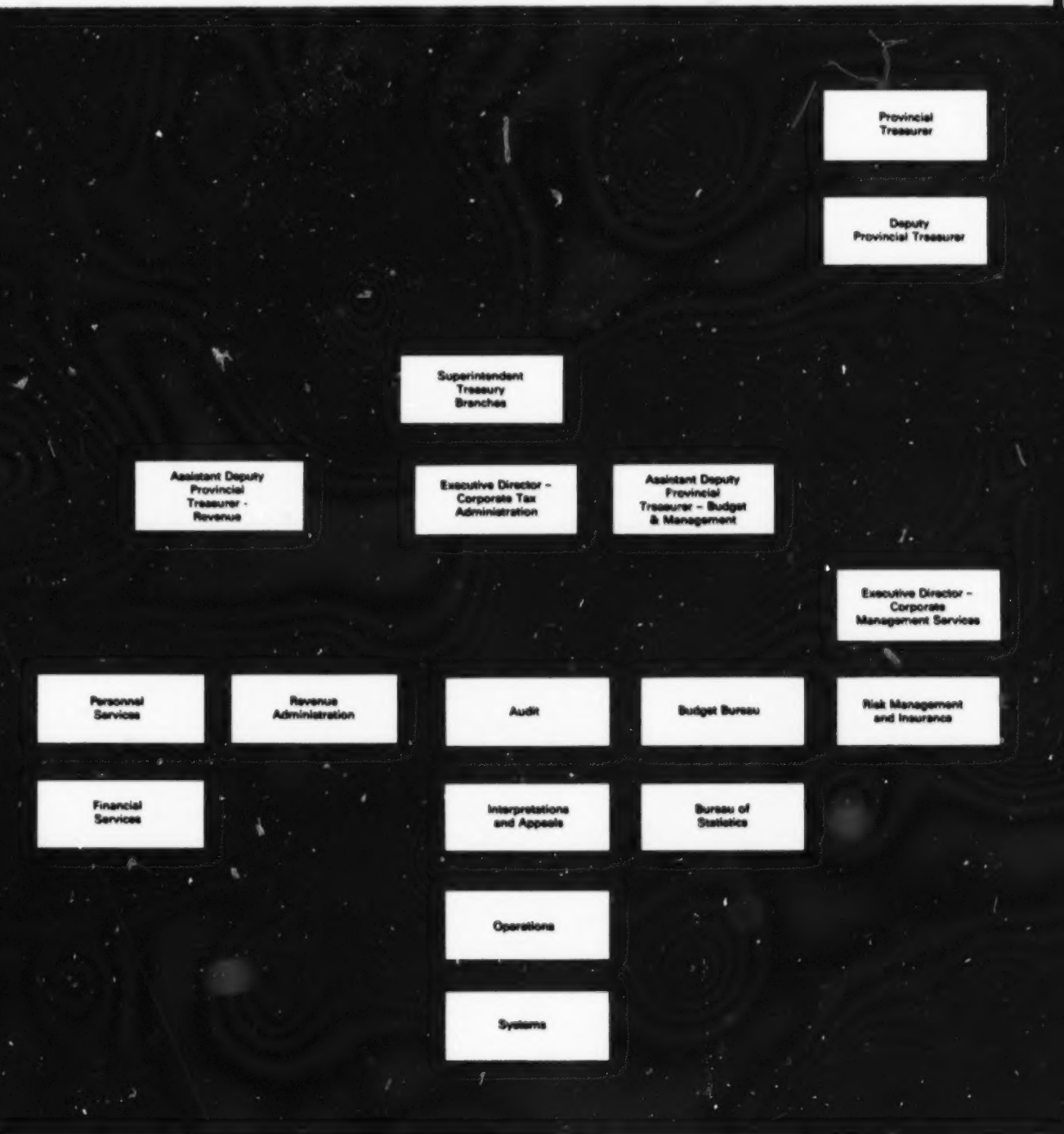
While the government was able to reduce significantly the growth in budgetary expenditure in 1983-84, continued slow revenue growth necessitated the raising of funds in the Canadian capital markets to assist in the funding of Alberta provincial corporations. The Finance branch arranged the issue of $150 million debentures for Alberta Government Telephones Commission and a promissory note programme for the Province. The weekly tender of 91-day Province of Alberta Treasury Bills was continued.

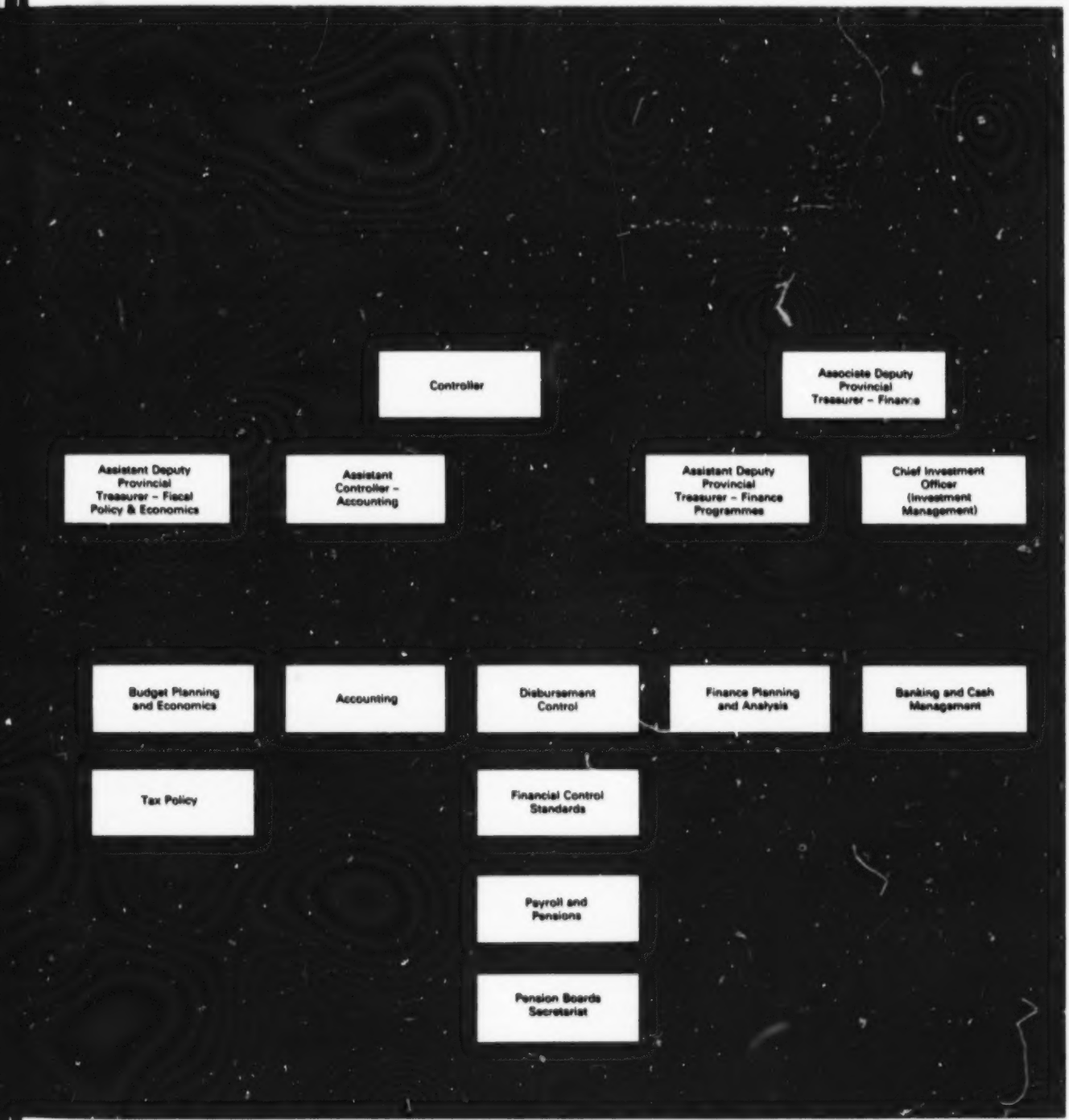
Municipal borrowing fell off dramatically in 1983-84 with the Alberta Municipal Financing Corporation issuing new loans totalling $622 million, down from the record volume of $1.12 billion recorded in 1982-83. Total outstanding loans exceeded $4.5 billion at 31-Dec-83.

The Alberta Treasury Branches continued to grow in 1983-84 with assets increasing by $459 million to reach over $3.4 billion. Loans increased by $382 million to reach $2.8 billion, while deposits grew by $472 million to over $3.3 billion at 31-Mar-84.

The return to economic growth will not preclude the need for fiscal restraint and the paring down of the public sector. Treasury will play a key role in attaining these objectives through its management of the government's finances and by working with other departments to reduce expenditures while maintaining a high level of public services for Albertans.

A.F. Collins
Deputy Provincial Treasurer


Provincial Treasurer
Deputy Provincial Treasurer
Superintendent Treasury Branches
Assistant Deputy Provincial Treasurer - Revenue
Executive Director - Corporate Tax Administration
Assistant Deputy Provincial Treasurer - Budget & Management
Executive Director - Corporate Management Services
Personnel Services
Revenue Administration
Audit
Budget Bureau
Risk Management and Insurance
Financial Services
Interpretations and Appeals
Bureau of Statistics
Operations
Systems


Controller
Associate Deputy Provincial Treasurer – Finance
Assistant Deputy Provincial Treasurer – Fiscal Policy & Economics
Assistant Controller – Accounting
Assistant Deputy Provincial Treasurer – Finance Programmes
Chief Investment Officer (Investment Management)
Budget Planning and Economics
Accounting
Disbursement Control
Finance Planning and Analysis
Banking and Cash Management
Tax Policy
Financial Control Standards
Payroll and Pensions
Pension Boards Secretariat

FUNCTIONAL RESPONSIBILITIES OF THE PROVINCIAL TREASURER, DEPUTY PROVINCIAL TREASURER, SENIOR MANAGEMENT, DIVISIONS, SECTIONS AND REPORTING ORGANIZATIONS

1. PROVINCIAL TREASURER

The Provincial Treasurer, in accordance with provisions of the Financial Administration Act, is responsible for the collection, management, control and reporting of revenue and expenditure; borrowings, investments, cash management; financial and budgetary procedures of the Crown, including the Alberta Heritage Savings Trust Fund; fiscal and economic planning; the development of tax policies and administration of corporate taxation and tax incentives; and administration of public sector pension plans.

2. DEPUTY PROVINCIAL TREASURER

In addition to managing and administering Alberta Treasury, the Deputy Provincial Treasurer serves on the following committees and boards.

Cabinet committees

— Priorities, Finance and Coordination
— Management Policy
— Treasury Board

Boards

— Alberta Government Telephones Commission
— Alberta Home Mortgage Corporation
— Alberta Municipal Financing Corporation
— Alberta Resources Railway Corporation

Committees

— Health Science Centre Implementation Committee

3. SUPERINTENDENT — TREASURY BRANCHES

Responsible for the system of branches and agencies throughout the province which accept money on deposit from the public, loan money to persons and firms, provide safekeeping facilities to the public, act as agent of the government for the issuance of various licences, collection of fees, etc. The objective is to provide a full range of financial services at reasonable costs and to earn a profit on operations for the benefit of all Albertans.

4. CONTROLLER

Responsible for controlling the receipt and disbursement of public funds, prescribing accounting and financial control policies, keeping or prescribing accounting records and systems, preparing the Public Accounts and the administration of government pension plans.

5. ASSOCIATE DEPUTY PROVINCIAL TREASURER — FINANCE

Responsible for the management of the province's major financial assets and liabilities. This includes: all investment activities including the Alberta Heritage Savings Trust Fund; cash management and banking activity; loan and other guarantees; financing of Crown corporation capital budgets; and management of the province's borrowing programmes.

6. ASSISTANT DEPUTY PROVINCIAL TREASURER — REVENUE

Responsible for collection of specified tax revenues (corporate, fuel oil, tobacco, pari-mutuel); administration of tax incentives, the Alberta Farm Fuel Distribution Allowance, Utility Companies Income Tax Rebates; and collection of past due government receivables.

7. PERSONNEL SERVICES

Provide a comprehensive personnel and training service to management and employees of Alberta Treasury. In addition, manage departmental communications, building services and space management, libraries, legal and legislative tablings and provide related administrative services. Implement departmental administrative policies and procedures.

8. FINANCIAL SERVICES

Manage departmental accounting, budgeting, EDP services, records management, internal control, internal financial reporting and the central stores facility. Administer garnishees/third party demands

on government employees and vendors doing business with the government. Maintain a registry for direct and guaranteed debenture debt of the province and administer payment on this debt. Provide a safekeeping service to government departments.

9. REVENUE ADMINISTRATION

Collect Alberta consumer taxes including tobacco, fuel oil, and pari-mutuel; administer the system for provision and control of the Alberta Farm Fuel Distribution Allowance and the Public Utilities Income Tax Rebate programme; develop and encourage good collection procedures and vigorous collection efforts by departments and agencies; operate a central collection service to maximize the recovery of debt owing to the Crown; review and evaluate minor revenue sources such as fees and permits; and coordinate the cost accumulation and claiming process under various federal-provincial cost-shared programmes.

10. TAX INFORMATION SERVICES

Provides information to the public, through publications and an enquiry service, regarding tax programmes, procedures and requirements. Provides communication support services to Corporate Tax Administration and Revenue Administration.

11. EXECUTIVE DIRECTOR — CORPORATE TAX ADMINISTRATION

Plans, develops and maintains operational functions related to the collection of Alberta corporate income tax. Communicates the provisions, procedures and programmes of the Alberta Corporate Income Tax Act and ensures quality, comprehensive and timely public contact.

12. AUDIT

Carries out verification of declared income tax and claims for incentive entitlements. Identifies areas where taxpayers have incorrectly minimized declared income for tax purposes or have maximized incentive eligibility.

13. INTERPRETATIONS AND APPEALS

Assists taxpayers and tax practitioners in the interpretation of the Alberta Corporate Income Tax Act by providing rulings and opinions. Responds to objections and appeals made by taxpayers in respect of assessed taxes.

14. OPERATIONS

Processes corporate income tax returns, maintains taxpayer accounts and provides for the collection of taxes arising therefrom.

15. SYSTEMS

Provides systems and data processing services to support the administrative, operational and management information systems of the Revenue branch. Provides administrative and financial services to Corporate Tax Administration.

16. ASSISTANT DEPUTY PROVINCIAL TREASURER — BUDGET AND MANAGEMENT

Responsible for the management of the provincial expenditure budget planning and approval process, cross-government administrative policy and statistical information on economic and social conditions in the province.

17. BUDGET BUREAU

Responsible for managing the annual expenditure budget planning and review process (General Revenue Fund); for providing research, analysis and recommendations concerning departmental budget proposals, new or changed programme policies, Supplementary Estimates, Special Warrants, funding and staff establishment reallocations, and draft legislation and regulations; for designing and implementing improved budget methodologies and administrative control policies across government, including those affect-

ing electronic data processing in departments and agencies; for supporting the Deputy Provincial Treasurer in his role as Secretary to the Treasury Board; and for the operation of the Government Land Purchase Revolving Fund.

18. BUREAU OF STATISTICS

Collect, compile, analyse, disseminate, and advise and educate users about Alberta economic, demographic and social statistics. As the central statistical agency of the government, determine and respond to the needs of both public and private sector users, including providing required statistical data for the policy and planning functions of the Alberta Government and the decision-making processes in the private sector. Provide methodological assistance to, and coordinate the existing and proposed statistical activities of, government departments; serve as the focal point for the coordination of statistical activity with Statistics Canada and other provincial statistical agencies.

19. EXECUTIVE DIRECTOR, CORPORATE MANAGEMENT SERVICES

Responsible for the administration of the Alberta Municipal Financing Corporation as its general manager. Provides corporate accounting services for the Alberta Resources Railway Corporation and advisory services regarding Treasury's responsibilities on various boards and committees.

20. RISK MANAGEMENT AND INSURANCE

Administer and coordinate the government's insurance and risk management programme, including analysis of risk, negotiation for insurance coverage, analysis of contracts, management of government self-insured exposure, assist and provide specialized insurance services to Crown corporations, adjudication and settlement of claims, compilation of loss statistics, analysis of insurance losses and establish a loss prevention programme on a government-wide basis.

21. ASSISTANT DEPUTY PROVINCIAL TREASURER — FISCAL POLICY AND ECONOMICS

Responsible for provision of policy research, analysis and recommendations on the province's budget plan, economic and taxation policies, and intergovernmental fiscal relations, as well as for the development of legislation implementing the government's tax policy decisions.

22. BUDGET PLANNING AND ECONOMICS

Responsible for research, analysis and policy advice concerning short- and medium-term budget planning for the government, monitoring of the government's financial plan, current and future economic conditions in Alberta and Canada, a variety of specific fiscal and economic issues, and intergovernmental fiscal relations.

23. TAX POLICY

Analyse policy issues regarding the government's own source revenue structure; analyse and develop tax programmes to meet government objectives; develop tax legislation; liaise with Corporate Tax Administration, Revenue Administration and Revenue Canada relative to implementation and ongoing administration of tax programmes.

24. ASSISTANT CONTROLLER, ACCOUNTING

Develop accounting and financial reporting policies. Develop and operate systems to control issued and negotiated cheques, replacement cheques, accountable advances, payment reporting, revenue distribution and reporting and general ledger accounting; prepare interim financial statements and the Public Accounts.

25. DISBURSEMENT CONTROL

Operate the central government payment of accounts system, and examine proposed disbursements for legality, authority and availability of funds.

26. FINANCIAL CONTROL STANDARDS

Develop and communicate financial control policies and procedures, monitor departmental compliance with prescribed standards, and provide advice and assistance to departments in improving control systems and procedures.

27. PAYROLL AND PENSIONS

Operate the central government payroll system, and administer six government pension plans including the collection of pension contributions and determination and payment of pension benefits.

28. PENSION BOARDS SECRETARIAT

Analyse and make recommendations on pension policy and provide support services to the Pension Boards.

29. ASSISTANT DEPUTY PROVINCIAL TREASURER — FINANCE PROGRAMMES

Responsible for managing the overall planning, administration and arrangement of all non-market investments for the Alberta Heritage Savings Trust Fund; the financial and administrative aspects of advances and guaranteed loans; and development of policy and administrative procedures on a broad range of government financing arrangements, including direct and guaranteed borrowing.

30. FINANCE PLANNING AND ANALYSIS

Provide planning and policy analysis for the Alberta Heritage Savings Trust Fund; prepare quarterly and annual reports; manage the budget cycle for Heritage Fund Capital Projects; analyse and develop recommendations on Crown corporation capital budgets, programmes and financing arrangements; analyse proposed project investments and develop recommendations for the extent and form of investment; and undertake analysis of a range of financial issues.

31. PROJECT INVESTMENTS

Document and administer all investments under the Canada, Alberta and Energy Investment Divisions of the Alberta Heritage Savings Trust Fund. Manage the financial and administrative aspects of the government's guaranteed loan programmes, develop policies and regulations respecting guaranteed loans, administer a variety of advances to funds and agencies, and analyse and recommend government involvement in loans or guaranteed loans for specific entities. Responsible for coordinating documentation of direct and guaranteed market borrowings.

32. CHIEF INVESTMENT OFFICER (INVESTMENT MANAGEMENT)

Provide short- and long-term investment management for various government accounts. Conduct capital market and investment risk analysis.

33. BANKING AND CASH MANAGEMENT

Manage the banking relationships of government, including bank accounts, cash management systems, and analyse government cash flows on short-(daily and weekly) and medium-terms (up to one year). Ensure investment receipts are collected as specified, and debt is effectively managed.

34. INVESTMENT SYSTEMS AND SETTLEMENTS

Develop, operate and maintain manual and automated finance-related systems. Administer and control all investment settlement activities. Provide investment control, accounting and information reporting services by operating investment-related computer and manual systems.

ALBERTA TREASURY BRANCHES

FUNCTIONS

- Operate a system of branches, sub-branches and agencies throughout the province to provide Albertans access to a full range of financial services at reasonable costs.
- Primary responsibilities include:
  - — accepting money on deposit
  - — loaning money to the public
  - — providing safekeeping facilities to the public
  - — certain branches act as an agent of the government for the issuing of various licences, collection of fees, etc.
  - — earning a profit on operations for the benefit of all Albertans

HIGHLIGHTS

- The Treasury Branch is the only financial service available in over 62 communities in the province.
- Continued expansion of the branch and agency system. There are now 130 branches, one sub-branch and 107 agencies.
- Treasury Branches opened new offices in 1983-84 at:

  Medicine Hat (2-May-83)
  Caroline (7-Jun-83)
  Edmonton - First Edmonton Place (5-Mar-84)
  Edmonton - West Edmonton Mall (12-Mar-84)
- Agency service was extended to the communities of:

  Vauxhall (9-May-83)
  Swan Hills (30-May-83)
  Sangudo (31-May-83)
  Edgerton (13-Jun-83)
  Edberg (9-Aug-83)
  Empress (12-Aug-83)
  Sexsmith (24-Aug-83)
  Beiseker (26-Aug-83)
  Blackfalds (19-Sep-83)
  Gibbons (8-Nov-83)
  Irricana (17-Feb-84)
- Introduced a Guaranteed Investment Certificate (GIC) in Jul-83, providing a deposit vehicle for investors who wish to obtain a higher rate of return over a fixed term.

  Treasury Branch GICs are available in terms from one to five years, and may not be redeemed prior to the maturity selected. A depositor may choose to receive interest on a monthly, semi-annual or annual basis. However, to qualify for monthly interest a minimum deposit of $5,000 is required; otherwise, the minimum deposit accepted is $1,000.
- Continued automation of branches during the year, with 21 branches converted to the Demand Deposit Accounting system, bringing the total to 63. Also during the year, 29 branches were converted to the "On-Line" Savings System, for a total of 83 as at 31-Mar-84.

Note: A comprehensive review is published annually with extensive detail on financial operations and activities of Alberta Treasury Branches. Copies may be obtained from any of the branches or agencies, or from the address listed in Appendix C.

OFFICE OF THE CONTROLLER

ACCOUNTING

FUNCTIONS

- Develop accounting and financial reporting policies for implementation throughout the government; review proposed legislation for accounting and financial reporting implications.
- Develop and administer EDP systems for:
  - — the control and reconciliation of issued, negotiated and replacement cheques
  - — payment reporting by payee
  - — control of accountable advances
  - — revenue accounting and reporting
  - — general ledger accounting
- Maintain the principal financial records of the government; prepare interim and annual financial statements.
- Prepare consolidated financial statements for the province; prepare the Public Accounts and supplementary report of payments by payee.
- Prepare reports of payments to members of the Legislative Assembly and persons with whom they are associated as required under the Legislative Assembly Act.

HIGHLIGHTS

- Successfully implemented a new EDP revenue accounting and reporting system, resulting in the improved control of cash receipts and much more timely reporting of revenue to departments.
- Extended the application of the EDP general ledger accounting system to all agency and fund accounts maintained in Treasury.
- Developed a new chart of accounts to provide a consistent format for revenue, expenditure, asset and liability accounts to facilitate the planned implementation of an encumbrance and accounts payable system that, along with the general ledger and revenue system, will provide an accounting and financial information system with the capability of being decentralized to departments.

DISBURSEMENT CONTROL

FUNCTIONS

- Examine proposed disbursements for legality, authority and availability of funds.
- Operate the Alberta Financial Information System (AFIS) for the payment of accounts, maintenance of payment records and the issuing of cheques.

HIGHLIGHTS

- Processed more than 3.5 million cheques through the central payment of accounts system. The supporting enquiry service responded to approximately 13 requests per day from vendors seeking assistance or information.
- Monitored departmental processing times for payment transactions throughout the year. Average processing time for the government was 34 days at 31-Mar-84.
- Progressed with the development of a new accounts payable system that is part of an accounting and financial information system being developed to replace the Alberta Financial Information System. Two departments are scheduled to process payment documents through the new system commencing 1-Apr-84.

FINANCIAL CONTROL STANDARDS

FUNCTIONS

- Develop and communicate financial control policies, standards and procedures.
- Monitor departmental compliance with prescribed standards.
- Assist departments to develop and implement financial control systems and procedures through training and advice.

- Coordinate the government's response to the Annual Report of the Auditor General and monitor responses by departments to the Auditor General's management letters.

HIGHLIGHTS

- Evaluated financial controls in Treasury and other departments, including Consumer and Corporate Affairs, Economic Development, Environment, and Tourism and Small Business.
- Established procedures for reviewing major systems to ensure they are developed in accordance with the standards required by the Treasury Board Directive on the management of electronic data processing.
- Coordinated the drafting of the report submitted by the Provincial Treasurer to the Public Accounts Committee regarding the recommendations of the Auditor General.

PAYROLL AND PENSIONS

FUNCTIONS

- Control payroll disbursements in accordance with the Financial Administration Act and applicable legislation.
- Operate the central government payroll system.
- Administer six government pension plans, including the collection of pension contributions and determination and payment of pension benefits.

HIGHLIGHTS

- Made improvements to the payroll system which will automate cheque cancellation and speed the issuance of refunds to employees.
- Introduced a more frequent processing cycle of the pension system resulting in the more efficient and timely processing of transactions.
- Developed new procedures for the auditing of payrolls.
- Incorporated the audit of pension files into internal procedures to enhance control responsibilities.
- Introduced new procedure manuals to all employers in the six government pension plans. Also improved the educational and training programmes designed for these employers.
- Issued approximately 1.4 million payroll payments totalling over $1.3 billion to 67,000 employees and pensioners.
- As at 31-Mar-84, there were 133,800 individual contributors to the pension plans, up 1.3 per cent from the previous year. The number of pensioners rose to 17,000, an increase of six per cent.

PENSION BOARDS SECRETARIAT

FUNCTIONS

- Advise the department and the Provincial Treasurer on pension policy.
- Review legislation for new pension plans and amendments to existing Pension Acts and Regulations.
- Develop reciprocal agreements with other pension authorities.
- Provide administrative services to the Public Service Pension Board, Public Service Management Pension Board, Local Authorities Pension Board, Special Forces Pension Board, and the Universities Academic Pension Board.
- Publish the pension newsletter "Postscript", information brochures, booklets and annual reports. Present pension information and retirement seminars.

HIGHLIGHTS

- Prepared 245 individual pension cases for consideration by pension boards.
- Conducted surveys on employee and employer representation on the Local Authorities Pension Board and prepared studies for use in the ongoing review of pension arrangements for Alberta Public Sector Plans.
- Concluded reciprocal agreements with the University of Waterloo and the University of Ottawa on behalf of the Universities Academic Pension Board.
- Presented 190 pension information seminars and 12 pre-retirement seminars attended by approximately 5,350 employees.
- Published four issues of the pension newsletter "Postscript" and five pension bulletins for the information and guidance of the employers and employees participating in the six government pension plans.

BUDGET BUREAU

FUNCTIONS

- Manage the annual expenditure budget planning and review process (General Revenue Fund).
- Provide research, analysis and recommendations concerning:
  - — departmental budget proposals;
  - — new or changed programme policies;
  - — Supplementary Estimates;
  - — Special Warrants;
  - — funding and staff establishment reallocations, and
  - — draft legislation and regulations.
- Design and implement improved budget methodologies and administrative control policies across government, including those affecting electronic data processing in departments and agencies.
- Support the Deputy Provincial Treasurer in his role as Secretary to the Treasury Board.
- Coordinate operations of the Government Land Purchase Revolving Fund.

HIGHLIGHTS

- Prepared analyses and coordinated the review of departmental submissions for the 1984-85 Estimates of Expenditure, including separate estimates for the Legislative Assembly.
- Assisted the Cabinet committee on Finance, Priorities and Coordination in achieving the first year-over-year decrease in total government expenditure since 1941-42.
- Assisted with budget preparation for programmes associated with the Alberta Economic Resurgence Plan and those programmes designed to assist the employment needs of Albertans, for incorporation in the Supplementary Estimates of Expenditure (A), 1983-84.
- In cooperation with Public Works, Supply and Services, formulated a new Treasury Board Directive related to procedures for the management of electronic data processing in the Alberta government.
- Provided advice and assistance in the development of the province's response to the Canada Young Offenders Act.
- Participated in a departmental committee established to develop the replacement of the Alberta Financial Information System (AFIS).
- Participated in the second annual Interprovincial Budgeting Practices Conference in Toronto in May-83. (Budget practitioners from the federal government and all but two of the provinces met to exchange information concerning various techniques and policies.)
- Assisted Executive Council in the review of the government's land purchasing policies and subsequent transfer of responsibility for the acquisition of land in the Restricted Development Areas of Calgary and Edmonton from Environment to Public Works, Supply and Services.

BUREAU OF STATISTICS

FUNCTIONS

- As the central statistical agency of the government, general responsibility under the Statistics Bureau Act is to collect, compile, analyse, disseminate, advise and educate users about Alberta economic, demographic and social statistics.
- Specific responsibilities are to:
  - — determine and respond to the needs of both public and private sector users, including providing required statistical data for the policy and planning functions of the Alberta government and the decision-making processes in the private sector;
  - — provide methodological and other statistically related assistance to, and coordinate the existing and proposed statistical activities of, government departments;

— collaborate with Statistics Canada and other provincial partners within the statisical system to minimize duplication and to maintain statistical standards.

HIGHLIGHTS

- In conjunction with a private sector firm (ACT Computer Services Ltd.) developed ASIST (Alberta Statistical Information System), a publicly available data base housed at ACT. Designed to meet the statistical needs of governments, businesses, media, academics and private individuals, ASIST allows access to a comprehensive set of Alberta data series. Besides data, the user easily can obtain reports, graphs, and statistical analyses. A users' manual and information directory for ASIST also have been developed.
- Distributed over 53,000 publications and responded to 7,725 requests — 46 per cent from government, 28 per cent from businesses and the remainder from individuals, the academic community and others. Included were some 1,700 requests for 1981 Census of Canada information, up 68 per cent over last year.
- Investigated several administrative files for the possibility of producing useful statistical data. Developed programmes to derive timely small area birth and death statistics from Vital Statistics' administrative records. Tested a small area population estimation model for use with administrative sources.
- Continued to undertake major business-related surveys to collect and produce: pay and benefits statistics, information on Alberta's retail and service trade sectors, statistics related to the province's manufacturing industries, and indices to provide place-to-place price comparisons for 20 Alberta communities.
- Assisted government departments through increased methodological consultation on research and survey related projects; greater utilization of the business register, household register and postal code translator file; an expanded educational seminar programme; and preparation of special population projections.
- Chaired the interdepartmental Statistics Coordinating Committee, which exchanges information on new statistical developments and seeks solutions to areas of concern. Coordinated three issues of the Committee's information bulletin "SCC Data.Net" and investigated various major concerns, including revisions to census division boundaries and geographic referencing of statistical data.
- Other developments to increase the statistics available for Alberta included:
  — Produced and released economic multipliers by industry and commodity.
  — Began development work on current quarterly economic accounts and producing migration statistics from health care records.
  — Prepared three new population projection series to reflect the recent changes in migration flows.
- All publications now available from the Alberta Bureau of Statistics are listed in Appendix C.

Note: A Users' Guide is available to those interested in further information. This brochure presents an overview of information and services available through the Bureau of Statistics. Included are sections on how to obtain information, a discussion of programme objectives and activities and a brief description of each of the bureau's publications.

BANKING AND CASH MANAGEMENT

FUNCTIONS

- Manage the banking operations of the provincial government and designated boards and agencies. Monitor the organization of provincial banking to ensure that effective cash management practices (such as funds collection systems, payments systems and cash concentration systems) are in place for optimal cash utilization. Provide effective methods of making government payments in foreign currencies. Maintain a high level of cash management expertise to be available to independent corporations, boards and agencies.
- Project and analyse all government cash flows, including the Consolidated Cash Investment Trust Fund (CCITF), in order to prepare cash flow forecasts on a daily, weekly and monthly basis to assist investment and debt management decisions.
- Administer the CCITF system, including banking arrangements, balancing, monthly and quarterly reports, and earnings distribution.
- Monitor receipt of investment income and deposit all income received to proper accounts.
- Administer all provincial debt to ensure payment of interest on due date and principal upon maturity, as well as the allocation of sinking fund payments.

HIGHLIGHTS

- Developed and implemented banking arrangements for the issuance of Province of Alberta Promissory Notes.
- Developed and implemented banking arrangements for financing of Crown corporations through the Provincial Corporation Loan Fund.
- In conjunction with other areas of Treasury, developed and implemented improved methods for handling U.S. securities of all kinds, and Canadian equities, which reduced costs of handling and improved operations.
- In conjunction with the Office of the Controller and responsible departments, implemented new forms of direct deposit, including monthly payments to school boards, hospitals, universities and colleges. As well, final preparations were made for the introduction of direct deposit for the Government of Alberta payroll.
- Introduced the use of micro computers for several Treasury functions such as cash forecasting, bank account analysis, debt reports, etc, which allowed for substantial reduction in total data processing costs.
- Continued development of contractual arrangements with financial institutions for a variety of banking services including specialized services such as debt administration and securities administration.
- Continued improvement in cash management practices, particularly through improved revenue collection systems and utilization of account balances.
- Assisted several boards and agencies to implement new cash management practices.

FINANCE PLANNING AND ANALYSIS

FUNCTIONS

- Coordinate Treasury's planning and policy analysis related to the Alberta Heritage Savings Trust Fund.
- Review potential investments for the Alberta and Energy Investment Divisions of the Alberta Heritage Savings Trust Fund for the purpose of advising whether investment criteria can be met.
- Provide economic and financial analysis of projects where government support or investment is being considered.

- Analyse and provide recommendations on capital budgets and financing requirements of provincial Crown corporations.
- Analyse and make recommendations on proposals for new funds, agencies and provincial corporation programmes.
- Provide analysis and advice on a broad range of financial issues considered by the government.
- Manage the budget cycle for the Capital Projects Division of the Alberta Heritage Savings Trust Fund, including analysis of investment proposals and the preparation of estimates of proposed investment for submission to the Legislative Assembly.
- Review and analyse expenditure trends in Heritage Fund Capital Projects; analyse and make recommendations on requests for funds transfers and on proposals for programme changes.
- Prepare the quarterly and annual reports of the Alberta Heritage Savings Trust Fund; prepare those sections of the Budget Address and other publications related to the Heritage Fund and provincial Crown corporations.

HIGHLIGHTS

- Developed proposals and worked with Legislative Counsel on amendments to the Alberta Heritage Savings Trust Fund Act. These amendments, passed in the 1984 spring session, included a provision to continue the transfer of the Heritage Fund's investment earnings to the General Revenue Fund in response to budgetary needs.
- Provided financial analysis and developed recommendations on a number of projects and investment initiatives. The major investment finalized in 1983-84 was the Heritage Fund's loan to Vencap Equities Alberta Ltd., which received approval by the legislature in the spring of 1983.
- Analysed and developed alternatives and recommendations on proposals related to the capital budgets, programmes and financing of major Crown corporations, including the re-financing of debentures issued to the Heritage Fund by Alberta Housing Corporation for the purchase of its land inventory.

INVESTMENT MANAGEMENT

FUNCTIONS

- Develop and implement strategies for the investment of cash reserves, long-term investment portfolios and various sinking funds of the government and a number of its agencies.
- Assist in maintaining an orderly market for publicly traded securities issued and/or guaranteed by the Province of Alberta.
- Provide investment research as input to investment strategies and the execution of investment transactions.

HIGHLIGHTS

- Major portfolios under management:
  - — General Revenue Fund (GRF)

    The GRF provides for the basic liquidity requirements of the government.
  - — Pension Fund

    With a year-end value of $2.1 billion, the Pension Fund was the largest single fund under administration. Starting with a $1.1 billion transfer of cash and securities from the GRF in 1981, a significant portion of the initial short-term assets and subsequent contributions have been diversified into a broad range of bonds, equities, mortgages and other investments.
  - — Consolidated Cash Investment Trust Fund (CCITF)

    This cash management facility provides participants with the benefits of fully-invested

cash balances along with full liquidity. Investments are concentrated in high-grade, short-term securities.

— AHSTF Section 10
Funds which have not been invested under one of the investment divisions of the Heritage Fund are managed under Section 10 of the Alberta Heritage Savings Trust Fund Act. These monies are invested in a variety of marketable fixed income securities to provide liquidity while, at the same time, enhancing the return on funds not yet committed to other divisions.

— AHSTF Commerical Investment Division
This division, which commenced operations in 1981-82, seeks to attain commercial rates of return through equity investments. The broadly based portfolio of Canadian equities was expanded during the year to a closing level of about $194 million. The remainder of the $200 million portfolio is in high-quality, short-term instruments.

— Workers' Compensation Fund
This fund's investments continued to be diversified. It continued to grow significantly through income and contributions, reaching $959 million by 31-Dec-83.

— Endowment Funds
The Medical Research Endowment Fund (MREF) was established to support research sponsored by the Alberta Heritage Foundation for Medical Research. The Alberta Heritage Scholarship Trust Fund is an endowment to provide a wide range of scholarships for Albertans.

Investments in both funds are being undertaken to provide income to meet expenditure programmes.

— Deposits Fund (Alberta Treasury Branches)
Day to day cash balances of the Treasury Branches are invested in high-grade, short-term securities.

— Sinking Fund
Sinking fund operations for the Alberta Municipal Financing Corporation, Province of Alberta, Alberta Resources Railway and the Alberta Universities Commission provide for the eventual retirement of the issues, as well as marketability for current holders of the securities issued by these bodies.

INVESTMENT SYSTEMS AND SETTLEMENTS

FUNCTIONS

- Arrange for the settlement of investment transactions for the General Revenue Fund, the Alberta Heritage Savings Trust Fund, the Consolidated Cash Investment Trust Fund, the Pension Fund and other investment funds.
- Provide investment control, accounting and information reporting services for the above funds by operating the Treasury Investment Information System, the Consolidated Cash Investment Trust Fund system and other computer and manual systems.
- Manage the ongoing maintenance and development of systems to support the control, accounting and management information functions of Treasury's finance and investment activities.

HIGHLIGHTS

- Settled approximately 10,800 investment transactions during the year.
- Completed a feasibility study to replace the current investment information system. The study identified a replacement system which will meet the functional requirements of the Finance branch at substantial savings.
- Implemented efficient settlement and custody alternatives for U.S. dollar securities and for Canadian equities.

- Undertook responsibility for settlement of Alberta Promissory Notes.
- Undertook responsibility for settlement of U.S. dollar purchases for investment purposes.
- Implemented a system to handle mortgages, real estate related and private placement investments which cannot be accommodated on the current investment information system.
- Implemented the Market Valuation System to provide current market valuation of investments.
- Expanded the use of microcomputers to significantly reduce computing costs.

PROJECT INVESTMENTS

FUNCTIONS

- Document, administer and report on loans guaranteed under various government programmes.
- Develop policy recommendations and regulations regarding guaranteed loans.
- Document and administer investments made under the auspices of the Alberta, Energy and Canada Investment Divisions of the Alberta Heritage Savings Trust Fund and selected General Revenue Fund investments.
- Coordinate documentation of direct and guaranteed market borrowings.
- Provide analysis and recommendations on a broad range of investment proposals and guaranteed loan proposals.
- Administer and control a variety of advances to funds and agencies.

HIGHLIGHTS

- Coordinated the documentation for two major guaranteed loans totalling $26.8 million.
- Coordinated the documentation and administration of the issue of Province of Alberta Promissory Notes.
- Coordinated the documentation for Alberta Government Telephones Commission's debt issues totalling $200 million.

FISCAL POLICY AND ECONOMICS

BUDGET PLANNING AND ECONOMICS

FUNCTIONS

- Plan and coordinate the preparation of the annual provincial Budget Address.
- Report on the current economic situation and analyse the outlook for the provincial, national and international economies.
- Prepare estimates of the government's short- and medium-term fiscal position, identifying factors affecting that position and analysing policy options.
- Monitor the government's financial plan through the year and contribute to the preparation of the annual Financial Summary and Budgetary Review.
- Analyse and make policy recommendations concerning the fiscal and economic aspects of:
  - — government programmes and policies, and
  - — other issues, such as interest rates, public sector compensation and pension policy.
- Analyse and make policy recommendations on federal-provincial and provincial-municipal fiscal relations.

HIGHLIGHTS

- Coordinated the planning and preparation of the 1984 Budget Address.
- Monitored and analysed the Alberta economy and the government's budgetary position throughout the year.
- Participated in numerous federal-provincial and interprovincial meetings on fiscal and economic matters.
- Prepared briefing material for federal-provincial and interprovincial meetings of First Ministers and Finance Ministers.
- Contributed to the preparation of "Alberta in Canada: Strength in Diversity", an Alberta government discussion paper, and the "Financial Summary and Budgetary Review, 1982-83."
- Reviewed and contributed to the overall assessment of the federal government's economic policies.

TAX POLICY

FUNCTIONS

- Analyse the impact of federal and provincial tax policies, and recommend Alberta tax measures to serve specific objectives. Coordinate drafting of tax legislation.
- Liaise with Revenue Canada and Alberta Treasury's Corporate Tax Administration and Revenue Administration divisions with respect to the implementation and ongoing administration of tax programmes.
- Evaluate the impact of Alberta resource levies on industry and provincial revenue; provide input on the design of specific resource-related programmes; advise on integration of Alberta resource levies and the tax system.

HIGHLIGHTS

- Analysed the provincial tax structure and provided revenue-raising options for ministerial consideration.
- Coordinated drafting of the Alberta Corporate Income Tax Amendment Act, 1983 No. 2 and Alberta Income Tax Amendment Act, 1983 No. 2. Prepared remission orders for income tax on social assistance payments and benefits to temporary residents of isolated posts.
- Participated in the analysis and design of fiscal packages for existing and proposed synthetic and heavy oil projects, and in the review of incentives for the petroleum industry.

- Reviewed the 19-Apr-83 and 15-Feb-84 federal budgets and associated research and development, indexed security investment plan and small business tax simplification discussion papers.
- Participated in the analysis of incentives to venture capital formation.
- Negotiated with Finance Canada on the definition of Canadian exploration expense in the Income Tax Act (Canada) and other matters of concern to Alberta.
- Participated in federal and interprovincial committees on tax policy and income tax allocation.
- Advised on a policy and mechanism to deal with provincial fees and charges.
- Reviewed and responded to numerous proposals and questions from the public on Alberta tax policy as well as taxes in other jurisdictions.

CORPORATE TAX ADMINISTRATION — Audit

FUNCTIONS

- Develop and maintain an audit capability consistent with the incentive nature of ACITA, while encouraging voluntary compliance, deterring tax avoidance and ensuring uniform application of the law.
- Utilize efficient audit techniques, including sophisticated computer software to identify potential candidates for audit.
- Implement a programme of limited "desk" audits and in-depth "field" audits.
- Coordinate Alberta tax audit activities with those of other agencies and governments, where possible.

HIGHLIGHTS

- Developed and implemented a system of prepayment checks to prevent potential abuses of the Royalty Tax Credit Programme.
- Maintained an audit compliance programme operating from Edmonton and Calgary. Developed a number of cases, some of which were brought before the courts, while continuing to evaluate and monitor potential or perceived abuses of Alberta incentive programmes.
- Maintained an active field audit programme operating out of the Calgary office and developed a field audit initiative for the Edmonton office.
- Commenced the development of an EDP Audit programme to allow auditing through the computer.

CORPORATE TAX ADMINISTRATION — Interpretations and Appeals

FUNCTIONS

- Issue binding advance tax rulings to clarify tax implications of major business transactions.
- Review taxpayers' objections and confirm, vary or vacate assessments in strict conformity to the law.
- Provide information to the corporate tax community by publishing interpretation bulletins, information circulars and rulings. Respond to technical enquiries.
- Assist in drafting proposed legislation, especially from an administrative perspective.

HIGHLIGHTS

- Rendered several advance rulings and statutory or technical interpretations for corporations.
- Proposed changes to legislation.
- Developed administrative regulations to statutes.
- Prepared four information circulars on technical subjects related to the provisions of the Alberta Corporate Income Tax Act.
- Provided technical expertise in tax matters to other divisions and government departments.
- Assisted legal counsel in the preparation and conduct of complex tax litigation cases.

CORPORATE TAX ADMINISTRATION — Operations

FUNCTIONS

- Identify corporations subject to ACITA and maintain the tax roll; ensure each corporation files information and returns as required by law, voluntarily or by legal enforcement.
- Develop and maintain accounting, assessment and collections functions for the Administration.
- Examine all tax returns or accounts; calculate tax, penalties or interest payable; advise corporations of assessment results and account status.
- Maintain corporate accounts, which includes issuing statements of account, refunding and processing taxpayer remittances.

- Ensure all documents concerning corporate registration and filings, as well as administrative correspondence and other documents, are stored accurately and securely.
- Provide an enquiry service allowing corporations to determine the status of their tax accounts, assist taxpayers in resolving discrepancies and make adjustments to accounts where necessary.

HIGHLIGHTS

- Increased filing compliance activity to obtain tax returns from approximately 27,000 corporations which had not submitted a return by the required filing date. For a number of cases, commenced legal action where deemed necessary to obtain the required information.
- Functionalized the handling of outstanding tax accounts subject to the more severe provisions of the ACITA by referring these files to Crown Debt Collections.
- Assumed responsibility for the receipt of payments and assessment of returns under the Alberta Insurance Corporations Tax Act.
- Developed a system to exchange information with Revenue Canada, to ensure consistency in the taxable income reported to both tax authorities by taxpayer corporations.
- Established ongoing dialogue with the accounting community to ensure that any concerns are discussed and resolved.
- Increased the tolerance on minor balances of tax outstanding from $1.00 to $5.00 to allow more economy and efficiency by eliminating the need to handle these small tax accounts.

CORPORATE TAX ADMINISTRATION — Systems

FUNCTIONS

- Plan and manage the development, implementation, operation and maintenance of systems to support the operational, management and administrative functions of the Revenue branch.
- Provide data processing services and facilities to Corporate Tax Administration and Revenue Administration.
- Develop and maintain procedure manuals and forms required for the operations of the Revenue branch.
- Provide administrative, financial and personnel support services to Corporate Tax Administration.

HIGHLIGHTS

- Developed and implemented a system to provide customized forms service to tax preparers and to monitor and control forms inventory.
- Developed and implemented a system to record and track the location and maintain control of corporate tax files within Corporate Tax Administration.
- Developed systems to enable the tracking and management of tax return and reassessment processing.
- Installed a microcomputer to improve the efficiency in handling some operational functions and to provide the necessary reports for effective management.
- Implemented several system upgrade releases containing enhancements to the Corporate Income Tax Administration System to accommodate legislative changes and improvements in operating procedures.
- Installed a laser printer to utilize the advantages of advanced technology in forms design and computer report generation.
- Completed a feasibility study to identify appropriate functions for development of online processing capabilities.

CORPORATE TAX ADMINISTRATION — Tax Information Services

FUNCTIONS

- Communicate the provisions of the Alberta Corporate Income Tax Act to tax preparers and the

business community through an enquiries response service.

- Produce and distribute technical and general publications related to the Act and the Administration.
- Identify other communication needs and coordinate the resulting public information programmes.

HIGHLIGHTS

- Implemented and maintained an automated inventory of corporate tax forms and automatic semi-annual distribution of forms to accounting firms.
- Initiated a taxpayer needs determination study to assess whether taxpayer information needs are being met through existing external communication mechanisms.
- Published an in-house style guide to assist letter and report writers in ensuring consistency of composition and style in external and internal communications.
- Through office locations in Edmonton and Calgary, responded to approximately 14,000 telephone enquiries for corporate tax information, and referred an additional 7,000 calls to appropriate areas within Corporate Tax Administration or to other levels of government; accommodated personal visits from approximately 2,200 corporate taxpayers requesting information.

CORPORATE TAX ADMINISTRATION

STATISTICAL HIGHLIGHTS

(Unaudited)

	1983/84	1982/83
TAX RETURNS		
Number Received		
Number Assessed		
PAYMENTS		
Number Received		
Dollar Value		
ASSESSMENTS		
Corporate Taxable Income Allocated to Alberta		
Dollar Value of Corporate Income Tax Assessed		
Dollar Value of Refundable Tax Credits Assessed		
OTHER OPERATING INFORMATION		
New Incorporations Added to the Tax Roll		
Number of Advanced Rulings Issued		
Number of Notices of Objection Disposed of		
Number of Files Reviewed For Audit Purposes		
Number of Telephone Enquires Received from Corporations		

(1) The increase over 1982/83 in the number of returns received and assessed results from:
   a) the phased-in transition of the Alberta administration of corporate income tax, and
   b) the more vigorous filing compliance programme commenced in 1983/84.

(2) The increase over 1982/83 reflects the enrichment of the Royalty Tax Credit programme to 75 per cent of Alberta Crown Royalty to a maximum of $4 million, as well as the prepayment of Royalty Tax Credits by means of instalments.

REVENUE ADMINISTRATION

FUNCTIONS

- Collect and account for taxes due under the provisions of the Fuel Oil Administration Act and the Tobacco Tax Act
- Administer the provision and control of the Alberta Farm Fuel Distribution Allowance (AFFDA) and the Alberta Domestic Heating Oil Allowance
- Audit the records of collectors and dealers under both the Fuel Oil Administration Act and the Tobacco Tax Act
- Operate a central collection service for government to maximize the recovery of accounts and loans in default owing to the Crown
- Develop and encourage good collection procedures and vigorous collection efforts by departments and agencies
- Review and evaluate minor revenue sources such as fees, permits and other miscellaneous types of revenue and recommend changes to improve the cost-effectiveness or efficiency of the revenue collection process
- Administer the Utility Companies Income Tax Rebate programme
- Operate a central revenue deposit service for government
- Contract for and coordinate the armoured car service for government
- Make recommendations for compromises, remissions or write-offs of accounts and loans receivable
- Collect and audit pari-mutuel tax pursuant to the provisions of the Pari-Mutuel Tax Act
- Disseminate information and provide assistance to departments and agencies concerning federal sales tax regulations and their implications
- Coordinate the cost accumulation and claiming process under various federal-provincial cost shared programmes.

HIGHLIGHTS

- Completed the first three-year audit cycle of oil company head offices, resulting in a better understanding by both auditees and auditors of programme requirements
- Expanded the Calgary audit group, resulting in decreased travel costs and less time lost due to travel
- Initiated a project to match farm vehicle licenses to the AFFDA farmer declarations filed, resulting in a more accurate data base of eligible consumers as well as a reduction in the use of marked fuel by ineligible consumers
- Drafted forms for use in a proposed uniform reporting system of sales tax, fuel tax, and vehicle licensing by interprovincial truckers
- Increased the efficiency of the word processing section by expanding the use of the Wang EDP equipment for word processing applications
- Completed the initial review of collection procedures by departments and agencies, resulting in improved procedures which have significantly reduced arrears in some areas
- Established a collection unit in Alberta Social Services and Community Health to recover social allowance overpayments
- Increased the use of private sector collection agencies to handle an increasing file load without extra staff
- Assumed responsibility for collection of corporate tax accounts in arrears which require some form of legal action
- Commenced review of the level of fees and charges assessed by government departments to ensure that they are reasonable, consistent, and in line with government policy
- Established a coordinating role to ensure that federal-provincial cost sharing claims are submitted on a timely basis

- Hosted the 1983 Canadian Consumer Tax Administrators Conference
- Met with the tobacco wholesalers and oil companies to discuss areas of concern relative to the administration of the division's programmes
- Established a method of cost accounting for certain recovery programmes to provide for cost/benefit analyses.

STATISTICAL HIGHLIGHTS
1983/84
(Unaudited)
($ thousands)

REVENUES COLLECTED

Taxes

- Fuel oil tax
- Tobacco tax
- Pari-mutuel tax

Payments from Government of Canada

- Cost-shared programmes
  - Alberta North agreement
  - Nutritive processing assistance
- Statutory subsidies

MANAGEMENT OF PAST-DUE GOVERNMENT RECEIVABLES

- Collections
- Compromises
- Write-offs

PAYMENTS TO SUBSIDIZE ALBERTA CONSUMERS

- Farm fuel costs
  (Alberta Farm Fuel Distribution Allowance)
- Householder utility costs
  (Utility Companies Income Tax Rebate Programme)

CORPORATE MANAGEMENT SERVICES

FUNCTIONS

- Provide accounting, investment and debt management services to the Alberta Resources Railway Corporation.
- Manage the affairs of the Alberta Municipal Financing Corporation, a non-profit Crown corporation established to:
  - assist municipalities and other eligible local authorities to obtain capital funds at the lowest possible cost.
  - issue debentures of the corporation, guaranteed as to principal and interest by the Province of Alberta, to obtain funds for local authorities at more advantageous rates than could be arranged by municipal governments borrowing independently.

HIGHLIGHTS

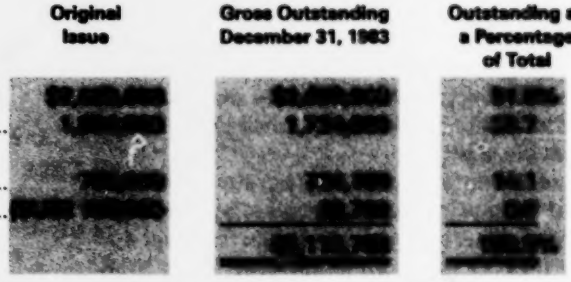
- Alberta Resources Railway Corporation:
  - The outstanding long-term debt of the corporation at the end of 1983 was $103.4 million, with assets in the sinking fund totalling $37.7 million.
  - The tonnage rental revenue increased to $4.1 million in 1983, up from $3.6 million in 1982, due to higher coal shipments.
- Alberta Municipal Financing Corporation:
  - The Alberta Municipal Financing Corporation Amendment Act, 1983, provided for an increase in the borrowing limits of the corporation from $5.8 billion to $7.0 billion.
  - New loans issued in 1983 totalled $622 million, a decrease of $498 million from the $1.12 billion in total loans made in 1982.
  - The capital required in 1983 to satisfy the needs of municipal, school and hospital authorities, and to retire $225 million in outstanding debts, was obtained by the corporation largely from the following sources:

Public	$450 million
Canada Pension Plan Investment Fund	$299 million

  - A 20-year, 12¼ per cent debenture issue of $250 million was placed in the Canadian market. Subsequently, an additional $200 million of this same series of debentures was issued.
  - Total of outstanding loans receivable was $4.5 billion, up from $4.1 billion at the end of 1982. Of the total outstanding loans at the end of 1983, 81 per cent were borrowed originally for municipal purposes, 18 per cent for school purposes and one per cent for hospital purposes.
  - Interest rates were relatively stable during 1983, ranging from a high of 13¼ per cent to a low of 12⅝ per cent for 20-year term loans.

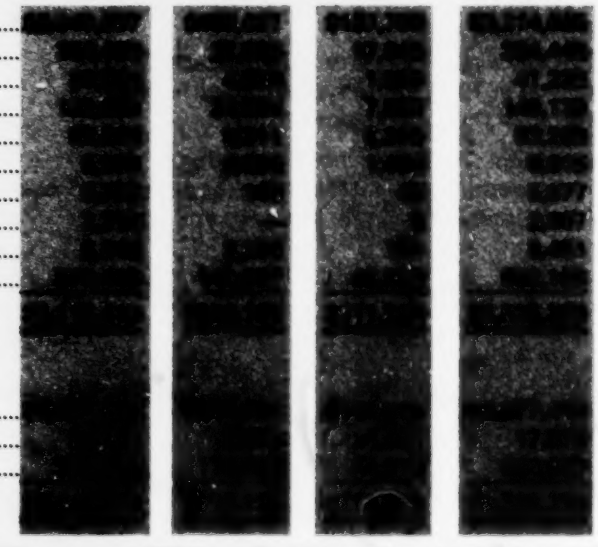
Note: Alberta Municipal Financing Corporation statistical tables appear on the following page.

The outstanding debt of the Alberta Municipal Financing Corporation at the end of 1983 stood at $5.117 billion. The assets in the Sinking Fund totalled $798 million, leaving the net debenture debt of the corporation, including debenture discount, at $4.297 billion at 31-Dec-83. The outstanding debt is analysed as follows:



	Original Issue	Gross Outstanding December 31, 1983	Outstanding as a Percentage of Total
Canada Pension Plan Investment Fund			
Government of Alberta			
Public:			
Canada			
United States			
Total			

The Alberta Municipal Financing Corporation has loaned over $6.7 billion to municipal jurisdictions since its inception in 1956. Of this amount $4.528 billion remains outstanding at 31-Dec-83. These loans are analysed as follows:



By Jurisdiction	Principal Outstanding 31-Dec-82	New Loans Issued 1983	Principal Repaid 1983	Principal Oustanding 31-Dec-83
Cities				
Towns				
Villages				
Counties - Schools				
- Other				
Municipal districts				
Improvement districts				
Irrigation districts				
Hospitals				
School districts & divisions				
By Purpose				
Municipal				
Hospital				
School				

Note: Alberta Municipal Financing Corporation year-end is 31-Dec. Detailed information is available in its annual report which may be obtained from the address listed in Appendix C.

RISK MANAGEMENT AND INSURANCE

FUNCTIONS

- Administer and coordinate a comprehensive risk management and insurance programme to protect the assets and risk of government and other entities covered under the master programme.
- Risk assumption - determine the frequency, severity and probability of loss from actual experience, plus anticipated related increases in past cost. Establish a basic aggregate value of losses for each class of insurance that will be expected and/or assumed as normal or tolerable within financial capability.
- Risk control - analyse the loss experience of participating entities. Institute loss control practices by using statistics developed within the division in conjunction with physical risk data as identified by specific and continual field inspection.
- Risk transfer - arrange to transfer risk of loss by contract to third parties other than insurance companies. Arrange to transfer to private underwriters, where economical, the risk of loss above the self-assumed exposure to cover for unexpected, accidental and severe losses to those risks not otherwise transferable.
- Provide assistance and direction to participating entities in the matter of contractual agreements, legislative documents and the like, both existing and proposed, by analysing, identifying and determining direct or indirect potential liability or property losses plus insurance requirements.
- Provide assistance and direction to Crown lending institutions to protect their mortgage interest. Recommend appropriate coverage to protect the financial interest of the client.
- Adjust or monitor the adjusting of all insurable losses protected under the master programme whether self-assumed, insured or, in some cases, uninsured.
- Recoveries - prepare documentation and negotiate recovery of monies due from government insurers and from other parties responsible for causing damage or loss to entities of the Crown.

HIGHLIGHTS

- Prepared criteria necessary for tendering Bankers Blanket Bond requirements of Alberta Treasury Branches.
- Completed word processing listing of government inventory, by entities and location.
- Implemented a streamlined chargeback recovery system, resulting in recoveries of $1.25 million from designated participating entities.
- Reorganized positions to enhance Risk Control efficiency.
- Investigated computer fraud and computer security insurance and related Loss Control practices.
- Commenced preparation of Risk Evaluation manuals for each of the entities within the programme.
- Advised Alberta Home Mortgage Corporation on Creditors Group Life proposals.
- Prepared an instructional guideline for use on all contracts regarding insurance and indemnification requirements.
- Provided assistance in several owner-controlled insurance programmes. Projects included Grande Cache jail, the Olympic Committee Organization, Forty Mile Coulee and Urban Hospital projects, in addition to monitoring the Dixon Dam and Walter McKenzie Health Science Centre.
- Investigated aspects of hazardous waste storage, disposal and transportation.
- Continued claims, contracts and general education seminars for each entity and initiated regional seminars for all interested representatives of participating entities with a region.
- Recovery activities resulted in credit to general revenue of $845,000, in addition to those monies recovered for 1983/84 insured losses.

DEPARTMENTAL SUPPORT SERVICES

FINANCIAL SERVICES

FUNCTIONS

- Establish and maintain accounting records and procedures for the department, ensuring adequate financial control.
- Prepare annual departmental budget and monitor expenditures throughout the fiscal year.
- Provide administrative support for provision of supplies and equipment.
- Administer attachment of wages and salaries of government employees, pursuant to the Civil Service Garnishee Act and federal statutes.
- Monitor contracts with the private sector entered into by the department.
- Administer Workers' Compensation payments on behalf of all government employees.
- Provide consultation and serve as the focal point for the development and maintenance of Treasury's Electronic Data Processing (EDP) and Word Processing (WP) plans. Provide EDP and WP systems support to the department.
- Provide consulting and coordinating services with respect to the design and procurement of forms. Develop, evaluate and implement enhancements to the records management programme. Provide technical advice on the selection of photocopiers, micrographics and information storage equipment.
- Act as transfer agent and registrar for debentures issued by the Province of Alberta, the Alberta Municipal Financing Corporation, the Alberta Universities Commission, Governors of the University of Alberta, the Alberta Resources Railway Corporation and the Alberta Government Telephones Commission.
- Administer interest payments on fully registered debentures and account for negotiated coupons and redeemed debentures for publicly-held securities.
- Provide a central safekeeping service to government.
- Facilitate the initial distribution of certificates on new debenture issues.
- Provide control on the issuance of Treasury Bills and Promissory Notes and account for the matured certificates.

HIGHLIGHTS

- Completed development of an automated system to assist in the preparation of Treasury's annual budget.
- Converted to the Revenue/Receipt Information Control System (RICS) by establishing new revenue codes and revising procedures to better control revenues.
- Coordinated the functioning of a network of seven word processing centres, consisting of 42 terminals in three buildings. Provided in-house user and operator education.
- Assisted Tax Policy on several EDP projects relating to personal and corporate income tax projections; provided Investment Systems and Settlements with assistance on the enhancement of the Custodian Report System and other finance-related systems; and assisted in the procurement and development of the Risk Management and Insurance word processing system.
- Developed a Records Index System for Public Authorities Plan I — Payroll and Pensions; coordinated the secure transfer of departmental records to semi-active storage areas; completed a Micrographics Application Survey.
- Established and implemented operating procedures for the control of Promissory Notes.
- Completed the requirements definition of an automated public debt system.

PERSONNEL SERVICES

FUNCTIONS

- Provide liaison with Personnel Administration Office with respect to all matters pertaining to the personnel of the department.
- Administer the pay and benefits programme and the collective agreements between the government and the Alberta Union of Provincial Employees as they relate to Treasury.
- Provide advice and assistance to the department in staffing, development and use of personnel resources, conduct staff training and development seminars for department personnel.
- Recruit and select personnel by establishing standards for screening and selection, conducting interview panels, providing input as to selection, including reference checks, and coordinate advertising of vacant positions.
- Analyse requests for position classification or reclassification including conducting job audits.
- Conduct personnel induction interviews to familiarize all new employees with Treasury's conditions of employment, employee benefits, policies and procedures, etc. and exit interviews for those persons leaving the employ of Treasury.
- Implement, maintain and revise (as required), departmental policies and procedures.
- Plan, prepare, produce and distribute publications. Assist senior management to identify other communication needs and coordinate the resulting public information programmes.
- Supply administrative and support services for the department, including parking, security access and telecommunication services.
- Plan, develop and implement space requirements for Treasury. Provide maintenance of office space. Obtain furniture as required (new and replacement) and arrange the installation of new equipment.

Provide assistance with, and coordinate, proposed legislative changes or recommendations, Treasury Board Directives, Authorizations and Orders in Council, etc.

Coordinate meetings, seminars and conferences for divisions.

Provide library materials and services to support the department's information needs and perform custodial duties related to the collection of official documents.

HIGHLIGHTS

- A restructuring of departmental service areas amalgamated three divisions into two. The consolidation, including privatization of some functions, had one key objective — reducing the staff complement while maintaining a satisfactory level of service.
- Additional responsibilities were taken on in the legal and legislation area.
- Cost savings have been realized in the publications area — both through a reduction in library subscriptions and a reduction in production of publications through use of positive reply cards.
- To complement the Treasury performance appraisal system, training courses were developed on effective appraisals, both for individuals and divisions. As well, 12 specific-need customized courses, each held semi-annually, were developed to address the unique requirements of the various divisions. Over 300 employees participated in in-house courses.
- The Treasury Policies and Procedures Manual was expanded and updated to accommodate the changing needs of the department.
- Staff communication was enhanced through the production of 10 issues of Treasury Staff Matters.
- Security/access systems for the department were reviewed and improved.

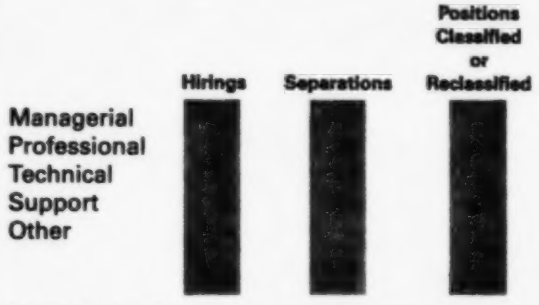
- Distributed more than 56,000 copies of 22 annual or periodic publications, plus responded to a further 15,000 requests for information. Publications available are listed in Appendix C.
- The library referenced 613 official documents and processed an additional 471, as well as 13 Statutory Tablings.
- The following tables indicate personnel statistics for the fiscal year:

Alberta Treasury
Position Establishment by Division/Section
as at 31-Mar-84 (a)

	Occupied	Vacant	Total
Provincial Treasurer's Office (b)			
Deputy Provincial Treasurer's Office			
Associate Deputy Provincial Treasurer's Office			
Banking and Cash Management			
Finance Planning and Analysis			
Investment Management			
Investment Systems and Settlements			
Project Investments			
Controller's Office			
Accounting			
Disbursement Control			
Financial Control Standards			
Payroll and Pensions			
Pension Boards Secretariat			
Budget and Management			
Budget Bureau			
Bureau of Statistics			
Fiscal Policy and Economics			
Budget Planning & Economics			
Tax Policy			
Revenue			
Corporate Tax Administration			
Financial Services			
Personnel Services			
Revenue Administration			
Corporate Management Services			
Risk Management and Insurance			

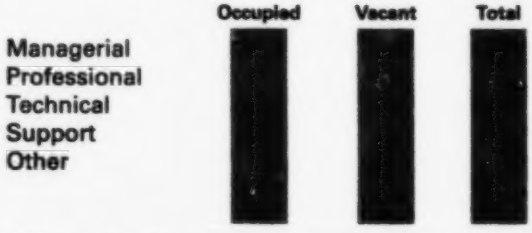
(a) Not including Treasury Branches. The number of persons employed by Treasury Branches at 31-Mar-84 was 2,718.
(b) Excludes Provincial Treasurer and his Executive Assistant.

Selected Transactions
During Fiscal Year 1983/84 (a)



(a) Excludes Alberta Treasury Branches

Position Establishment
at 31-Mar-84 by Classification (a)



(a) Excludes Alberta Treasury Branches

APPENDIX A(i)
BUDGETARY EXPENDITURE — VOTED APPROPRIATIONS
CLASSIFIED BY OBJECT

	For the Year Ended 31-Mar-84 (a)	31-M
	($ thousands)	
MANPOWER:		
Salaries — Permanent Positions	[redacted]	
Salaries — Non-Permanent Positions		
Wages		
Payments to Contract Employees		
Employer Contributions		
Allowances and Benefits		
Total Manpower		
SUPPLIES AND SERVICES:		
Travel Expenses		
Advertising		
Insurance		
Freight and Postage		
Rentals		
Telephone and Communications		
Repairs and Maintenance — Machinery and Equipment		
Contract Services Including Professional, Technical & Labour Services		
Data Processing Services		
Hosting		
Other Purchased Services		
Materials and Supplies		
Total Supplies and Services		
GRANTS:		
Grants to Individuals		
Grants to Non-Profit Organizations		
Grants to Others		
Total Grants		
PURCHASE OF FIXED ASSETS:		
Purchase of Data Processing Equipment		
Purchase of Audio Visual Equipment		
Purchase of Reproduction Equipment		
Purchase of Office Equipment		
Purchase of Furniture		
Purchase of Other Assets		
Total Purchase of Fixed Assets		
OTHER:		
Payments to Members of the Legislative Assembly & Executive Council		
Pension Payments		
Interest and Bank Charges		
Write-Offs and Losses		
Total Other		
TOTAL DEPARTMENT		

(a) Unaudited

APPENDIX A(ii)
BUDGET ESTIMATES, SPECIAL WARRANTS, TRANSFERS AND EXPENDITURES CLASSIFIED BY VOTE

		1983-84 Budget Estimates	1983-84 Special Warrants and Transfers	1983-84 Total Authorized	Expenditure for the Year Ended 31-Mar-84 (a)	Expenditure for the Year Ended 31-Mar-83
				($ thousands)		
Vote 1:	DEPARTMENTAL SUPPORT SERVICES					
	Provincial Treasurer's Office					
	Deputy Provincial Treasurer's Office					
	Personnel Services					
	Financial Services					
	Total Vote 1					
Vote 2:	STATISTICAL SERVICES					
	Bureau of Statistics					
	Total Vote 2					
Vote 3:	REVENUE COLLECTION AND REBATES					
	Revenue Administration					
	Farm Fuel Distribution Allowance					
	Remissions					
	Compensation to Bulk Dealers					
	Commissions to Agents					
	Compensation to Agent Dealers					
	Corporate Tax Administration					
	Total Vote 3					
Vote 4:	FINANCIAL MANAGEMENT, PLANNING AND CENTRAL SERVICES					
	Controller					
	Financial Control Standards					
	Accounting					
	Payroll and Pensions					
	Disbursement Control					
	Pension Boards Secretariat					
	Budget Bureau					
	Budget Planning and Economics					
	Tax Policy					
	Corporate Management Services					
	Investment Management					
	Investment Systems and Settlements					
	Project Investments					
	Finance Planning and Analysis					
	Banking and Cash Management					
	Risk Management and Insurance					
	Securities Administration					
	Workers' Compensation — Government Employees					
	Retiring Gratuity					
	Total Vote 4					
	TOTAL DEPARTMENT					

(a) Unaudited

Appendix A(iii)

HOLDINGS OF INVESTMENT PORTFOLIOS MANAGED BY ALBERTA TREASURY AT 31-MAR-84 IN $ MILLIONS

(Preliminary Actuals)

	GENERAL REVENUE FUND	PENSION FUND	ALBERTA HERITAGE SAVINGS TRUST FUND (a)			
			SECTION 10	CANADA INVESTMENT DIVISION	ALBERTA INVESTMENT DIVISION	ENERGY INVESTMENT DIVISION
Deposits in the Consolidated Cash Investment Trust Fund	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]	[redacted]
Money Market Securities						
Bonds and Debentures:						
Alberta, direct and guaranteed						
Others						
Equities						
Mortgages and Real Estate Funds						
Total Investments						

(a) Excludes Capital Projects Division
(b) Excludes long-term investments managed by Treasury Branches Deposits Fund
(c) Includes Province of Alberta participation in Syncrude Project

COMMERCIAL INVESTMENT DIVISION	AMFC SINKING FUND	TREASURY BRANCHES DEPOSITS FUND (b)	WORKERS' COMPEN. BOARD - LONG TERM ACCOUNT	ALBERTA HERITAGE SCHOLARSHIP FUND	ALBERTA HERITAGE FOUNDATION FOR MEDICAL RESEARCH ENDOWMENT FUND	OTHER PORTFOLIOS

APPENDIX B

ACTS ADMINISTERED BY ALBERTA TREASURY

AS AT 31-MAR-84

Alberta Corporate Income Tax Act
Alberta Energy Company Act
Alberta Heritage Savings Trust Fund Act
Alberta Income Tax Act
Alberta Loan Acts
Alberta Municipal Financing Corporation Act
Appropriation Acts
Chartered Accountants Act
Civil Service Garnishee Act
Financial Administration Act
Fuel Oil Administration Act
Fuel Oil Tax Act
Government Emergency Guarantee Act
Government Land Purchases Act
Insurance Corporations Tax Act
Local Authorities Pension Act
M.L.A. Pension Act
Municipal Debentures Act
Municipal Land Loans Act
Pari-Mutuel Tax Act
Pension Fund Act
Public Service Administrative Transfers Act
Public Service Management Pension Act
Public Service Pension Act
Retirement Annuities Act
Special Forces Pension Act
Statistics Bureau Act
Tobacco Tax Act
Treasury Branches Act
Universities Academic Pension Act
Utility Companies Income Tax Rebates Act

APPENDIX C

PUBLICATIONS AVAILABLE FROM ALBERTA TREASURY

Many branches and divisions of Alberta Treasury publish information about their programmes and operations. The following publications are available from:

•i Support Services and Publications, Rm. 302, Terrace Building (9515 - 107 St., Edmonton, T5K 2C3) or by calling 427-9957:

Alberta Treasury Annual Report
Alberta Budget Documents
  Budget Address
  Government Estimates
  Legislative Assembly Estimates
  Supplementary Information — Element Details
  Programme Structure Chart
  Budget Highlights
Public Accounts — Volumes I, II and Supplement
Financial Summary and Budgetary Review
Alberta Heritage Savings Trust Fund Annual Report
Alberta Heritage Savings Trust Fund Quarterly Reports
Alberta Heritage Savings Trust Fund Estimates
Alberta Municipal Financing Corporation Annual Report
Organization of the Government of Alberta

•ii The Alberta Bureau of Statistics, Information Services at the Sir Frederick W. Haultain Building (9811 - 109 Street, Edmonton, T5K OC8) or by calling 427-3058.

TITLE	FREQUENCY
Alberta Quarterly Population Growth	Quarterly
Alberta Statistical Review	Quarterly
Alberta Fact Sheet	Annual
Alberta Pay and Benefits	Annual
Place-to-Place Price Comparisons for Selected Alberta Communities	Annual
Alberta Retail and Service Trade Statistics	Annual
Alberta Principal Manufacturing Statistics	Annual
Population Estimates by Census Divisions, Alberta	Annual
Alberta Economic Accounts	Annual
Census Division Population Projections, Alberta	Occasional
Population Projections, Alberta	Occasional
Provincial Electoral Districts for Alberta	Occasional
Alberta Census Enumerators' Manual	Occasional
The Input-Output Structure of the Alberta Economy	Occasional
Economic Multipliers for Alberta Industries and Commodities	Occasional
Alberta Taxation Statistics	Occasional
"CANSIM" Summary Reference Index and Series Directory Alberta	Periodic
NEWSTATS: 1981 Census Information	Periodic
NEWSTATS	Periodic
ASIST Statistical Information Series Directory	Periodic
ASIST Users' Manual	Periodic

• iii The Tax Information Services section of Corporate Tax Administration at the Sir Frederick W. Haultain Building (9811 - 109 Street, Edmonton, T5K 2L5) or by calling 427-0712.

TITLE	FREQUENCY
Tax Notes	Occasional
Information Circulars	Occasional
Interpretation Bulletins	Occasional
Tax forms and guides to their completion	Occasional

• iv In addition, the Alberta Treasury Branches' Annual Review is available from the Head Office at the Ninth Street Building (9925 - 109 St., Edmonton, T5J 2N6) or by calling 427-2721.

APPENDIX D

EXECUTIVE OF THE DEPARTMENT
AT 31-MAR-84

Provincial Treasurer	Hon. Lou Hyndman
Deputy Provincial Treasurer	A.F. Collins
Superintendent, Treasury Branches	R.O. Holgate
Controller	A.D. O'Brien
Assistant Controller — Accounting	A.G. Heisler
Director, Accounting	R.A.G. Lowen
Director, Disbursement Control	T.W. Burns
Director, Financial Control Standards	M.H. Mylod
Director, Payroll and Pensions	E.J. Wilcox
Director, Pension Boards Secretariat	J.E. Faries
Associate Deputy Provincial Treasurer — Finance	A.J. McPherson
Director, Banking and Cash Management	D.R. Bishop
Assistant Deputy Provincial Treasurer — Finance Programmes	J.M. Drinkwater
Director, Finance Planning and Analysis	J.A. Zatko
Chief Investment Officer	S.J. Susinski
Director, Investment Management	R.C. Kamp
Assistant Deputy Provincial Treasurer — Budget and Management	C.A. MacKenzie
Director, Budget Bureau	G.G. Trogen
Director, Bureau of Statistics	H.W. Ford
Assistant Deputy Provincial Treasurer — Fiscal Policy and Economics	G.L. Duncan
Director, Budget Planning and Economics	L.G. Morrison
Director, Tax Policy	L.H. Landry
Assistant Deputy Provincial Treasurer — Revenue	A.H. Kalke
Director, Financial Services	L.J. Hellweg
Director, Personnel Services	M.D. Faulkner
Director, Revenue Administration	L. Huisman
Executive Director, Corporate Tax Administration	J.D. Peters
Director, Audit	C. Calarco
Director, Interpretations and Appeals	J.R. Allan
Director, Operations	L.M.L. Rokosh
Director, Systems	J.W.K. Parton
Executive Director, Corporate Management Services	H.H. Strohbach
Director, Risk Management and Insurance	D. Murray